



UNIVERSITY OF CAMBRIDGE INTERNATIONAL EXAMINATIONS
Cambridge International Diploma in Business
Standard Level

HUMAN RESOURCE MANAGEMENT

5165/01

Optional Module

May 2012

2 hours plus 15 minutes' reading time

Additional Materials: Answer Booklet/Paper

READ THESE INSTRUCTIONS FIRST

Write your Centre number, candidate number and name on all the work you hand in.

Write in dark blue or black pen.

You may use a soft pencil for any diagrams, graphs or rough working.

Do not use staples, paper clips, highlighters, glue or correction fluid.

Attempt **all** tasks.

Start each task on a new piece of paper.

Please leave a margin on the right and left hand side of each new page.

At the end of the examination, fasten all your work securely together, in the correct order.

The number of marks is given in brackets [] at the end of each question or part question

This document consists of **3** printed pages and **1** blank page.



You must read the case study below and attempt ALL of the tasks which follow.
(This case study is fictitious.)

JUANMART RETAIL STORES

JUANMART is a chain of retail stores specialising in selling men's clothing. The business has been established for many years and has always attempted to apply the meaning of Human Resource Management to its procedures. All shop staff are recruited and trained by the local store managers who carry out the day to day human resource management except for setting wage rates, which are controlled by Head Office. Also Head Office staff and managers for each local store are recruited and managed from Head Office. 5

JUANMART has never had any problems in recruiting suitable staff. The majority of jobs are for unskilled, part-time staff and the local region has a high proportion of young females who are well suited to, and also seeking, this type of work. A group of employees have approached the Shop Workers' Trade Union as they feel that membership might improve their conditions such as the right to fair treatment; improved wages; better working conditions and ensuring legislation is followed by JUANMART. 10

New cash register systems are being introduced in all of the JUANMART stores which will require much more skill to operate. These systems will be subject to further development over the next 5 to 10 years and staff will need regular retraining. JUANMART managers have been informed that the new systems will also need some new management roles to ensure the systems are implemented properly. 15

All employees are currently employed on permanent contracts. JUANMART is considering whether alternative types of contracts would be more suitable as the new systems are likely to result in a reduction in the number of staff needed in some stores. They will also have to consider how to end the contracts of those staff that are no longer required. 20

Some employees are not performing their jobs as well as expected and JUANMART Head Office believe that this is due to poor selection procedures. There is no method for monitoring or measuring the work of employees at present. Head Office would like to introduce such schemes but recognise that this could result in disciplinary and grievance problems. Therefore they would also need to introduce procedures for providing staff with the opportunity to raise concerns and complaints about other staff or management. They will also need to ensure that there is a standard and fair procedure for dealing with staff who are not conforming to the organisation's rules and procedures. 25

The shop employees want works councils, worker directors and committees as they feel that JUANMART managers are unaware of many of the problems and the suggestions that they have for improving the business. 30

All shop staff receive a basic weekly wage with an additional payment if their section sells enough goods to meet its weekly target. All staff are also members of the firm's pension scheme. However, the shop staff feel that they have no involvement in, or commitment to, JUANMART. Most staff lack motivation as they feel it is just a job and therefore rarely make the effort to communicate with customers. Managers do not offer praise and recognition to staff. Customer satisfaction surveys show the firm has a poor level of customer service. 35

You must attempt ALL of the following tasks.

Where appropriate use information from the case study to support your answer.

- 1 (a) List **four** purposes of Human Resource Management (HRM). [4 x 1 = 4]
 (b) Explain the meaning of HRM. [6]
 (c) Explain how JUANMART use both decentralised and centralised approaches to the management of human resources. [10]
[Total: 20]
- 2 (a) List **four** features of the employment market in the region that JUANMART operates in. [4 x 1 = 4]
 (b) Explain how being in a trade union could benefit the employees of JUANMART. [6]
 (c) Explain what JUANMART managers will have to do to ensure that the technological changes will work. [10]
[Total: 20]
- 3 (a) List **four** types of contract that JUANMART could offer staff. [4 x 1 = 4]
 (b) Explain the methods by which contracts can be ended by either employer or employee. [6]
 (c) Explain in detail a selection process that JUANMART could use to select more suitable shop staff. [10]
[Total: 20]
- 4 (a) List **four** methods for monitoring and measuring the work of the JUANMART staff. [4 x 1 = 4]
 (b) Explain the sort of systems JUANMART might operate for resolving HRM problems. [6]
 (c) Explain how improving systems for communicating with staff can benefit JUANMART. [10]
[Total: 20]
- 5 (a) List **four** fringe benefits that might be used by JUANMART. [4 x 1 = 4]
 (b) Explain the different methods of payment used by JUANMART. [6]
 (c) Explain why the shop staff at JUANMART are lacking motivation in their jobs. [10]
[Total: 20]

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